

## Message Text

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17

ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-01 INR-07 L-03

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 EB-07

COME-00 TRSE-00 CAB-02 DOTE-00 CIEP-01 FAA-00 /068 W

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R 081820Z DEC 76 ZFF DUBLIN

FM AMEMBASSY LONDON

TO SECSTATE WASHDC 8570

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY THE HAGUE

AMEMBASSY LUXEMBOURG

AMEMBASSY PARIS

AMEMBASSY ROME

USMISSION EC BRUSSELS

USMISSION NATO BRUSSELS

USMISSION OECD PARIS

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E.O. 11652: N/A

TAGS: PGOV, PINT, UK

SUBJECT: COMMONS PASSES NATIONALIZATION BILL

REF: LONDON 18975

SUMMARY. THE HOUSE OF COMMONS DECEMBER 7 AGAIN APPROVED THE SHIPBUILDING AND AIRCRAFT INDUSTRY NATIONALIZATION BILL WHICH WAS THE SUBJECT OF THE COMMONS/LORDS CONFRONTATION IN THE LAST PARLIAMENT. BY INVOKING THE PARLIAMENT ACT, THE GOVERNMENT HAS TAKEN AWAY THE UPPER HOUSE'S POWER TO AMEND OR KILL THE BILL. THE PEERS, HOWEVER, CAN STILL DELAY ITS ENACTMENT, AND MAY WELL DO SO. END SUMMARY.

1. AFTER OVER 300 HOURS OF DEBATE, 58 COMMITTEE SESSIONS AND 149 FORMAL VOTES, COMMONS ONCE AGAIN APPROVED THE LIMITED OFFICIAL USE

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CONTROVERSIAL AND CONTENTIOUS BILL TO NATIONALIZE THE

SHIPBUILDING AND AIRCRAFT INDUSTRIES, THIS TIME FINALLY AND BY A MARGIN OF 3 VOTES (280 TO 277). EARLIER, THE GOVERNMENT TURNED BACK TWO CONSERVATIVE AMENDMENTS WHICH WOULD HAVE EXCLUDED SHIP REPAIR FACILITIES AND SHIPBUILDERS SPECIALIZING IN COMBATANT SHIP CONSTRUCTION BY MARGINS OF 2 AND 3 VOTES, RESPECTIVELY. FOLLOWING APPROVAL, THE CONSERVATIVE INDUSTRY SPOKESMAN ASKED THE SPEAKER TO DELAY SIGNING THE BILL FOR 24 HOURS TO ALLOW HIS PARTY TO RAISE A PROCEDURAL QUESTION.

2. ASSUMING THE CONSERVATIVE EFFORT TO REVERSE THE COMMONS DECISION ON PROCEDURAL GROUNDS FAILS, THE BILL WILL AGAIN MOVE TO LORDS. BY INVOKING THE PARLIAMENT ACT, THE GOVERNMENT HAS BARRED THE UPPER HOUSE FROM AGAIN AMENDING THE BILL AND RENEWING THE LEGISLATIVE PING PONG UTHE HOUSE OF LORDS, HOWEVER, RETAINS THEWER TO DELAY ENACTMENT OF THE BILL FOR AT LEAST SEVERAL MONTHS. THE PRESS HAS REPORTED THAT CONSERVATIVE LEADERS IN LORDS ARE CONSIDERING RAISING THE ISSUE OF "HYBRIDITY" (A HYBRID BILL IS ONE WHICH IS NOT UNIFORMLY APPLICABLE -- COMMONS EARLIER RULED THAT THIS BILL WAS A PRIMA FACIE HYBRID BECAUSE AN EXCLUDED FIRM BUILDING NORTH SEA OIL RIGS WAS DEFINITIONALLY A SHIPBUILDER, BUT VOTED NOT TO APPLY THE HYBRID RULES). SINCE THE UPPER HOUSE IN THE LAST PARLIAMENT ACCEPTED THE WILL OF COMMONS IN ITS HANDLING OF THE BILL, ANY ATTEMPT TO HANDLE IT AS A HYBRID AT THIS POINT WOULD BE A TRANSPARENT DELAYING TACTIC.

3. COMMENT. THE GOVERNMENT SUCCEEDED IN ITS GAMBLE TO INVOKE THE PARLIAMENT ACT AND OBTAIN COMMONS APPROVAL IN THIS PARLIAMENT RATHER THAN ACCEPT THE BILL AS AMENDED BY LORDS. CONSERVATIVE ATTEMPTS TO DELAY THE BILL IN COMMONS ARE NOT EXPECTED TO PROSPER, BUT IT IS STILL NOT CLEAR HOW LORDS WILL RESPOND ONCE THE BILL RETURNS TO THAT CHAMBER. EVEN IF THE TORIES DECIDE NOT TO FIGHT ON THE HYBRID ISSUE, THERE ARE NO DOUBT A NUMBER OF ARCANE PROCEDURAL POINTS WHICH COULD BE TROTTED OUT TO DELAY ITS ENACTMENT. THE GOVERNMENT AND THE INDUSTRIES AFFECTED, NEVERTHELESS, ARE NOW ASSURED OF ITS ULTIMATE, IF NOT LIMITED OFFICIAL USE

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TIMELY, ENACTMENT.

ARMSTRONG

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## Message Attributes

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